

AMENDED IN SENATE MAY 3, 2006
AMENDED IN SENATE APRIL 17, 2006

SENATE BILL

No. 1181

Introduced by Senator Maldonado
(Coauthors: Senators Denham, Morrow, and Romero)
(Coauthors: Assembly Members Cogdill, Garcia, Shirley Horton, and
Maze)

January 17, 2006

An act to add Section ~~66904.7~~ 66026 to the Education Code, relating to public postsecondary education, ~~making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1181, as amended, Maldonado. Public postsecondary education: ~~Supplemental Report on Executive Salaries: administrative salaries and compensation.~~

Existing law, the Donahoe Higher Education Act, sets forth the missions and functions of the 3 segments comprising the state's public postsecondary education system. These segments are the University of California, administered by the Regents of the University of California, the California State University, administered by the Trustees of the California State University, and the California Community Colleges, administered by the Board of Governors of the California Community Colleges. Among other things, the act establishes the California Postsecondary Education Commission as the statewide postsecondary education planning and coordinating agency and advisor to the Legislature and the Governor.

~~This bill would require the commission to produce a Supplemental Report on Executive Salaries on a biennial basis, commencing on or~~

~~before December 1, 2007, contingent upon the availability of the resources necessary to produce the report. The report would include data on the total compensation, as defined, of specified executive-level and senior-level administrative positions on both the system and campus levels of the 3 public postsecondary segments.~~

~~The bill would require the commission to produce the report in consultation with an advisory committee, the membership of which would be selected by the commission. The bill would require the membership of the advisory committee to include, but not necessarily be limited to, representatives of the University of California, the California State University, the California Community Colleges, the Department of Finance, and the Legislative Analyst's Office.~~

~~The bill would authorize the commission to collect from the 3 public postsecondary segments all information that it deems necessary for the completion of the report. The bill would require the commission to report any instance of a lack of cooperation with its efforts to collect information under this bill to the chairpersons and vice chairpersons of the budget committee of each house of the Legislature. The bill would express the intent of the Legislature that appropriate action be taken by the budget committee of each house of the Legislature when the budget subcommittee responsible for higher education determines that a public postsecondary segment has refused to fully comply with the requests for information that the commission makes pursuant to the bill.~~

~~The bill would appropriate \$250,000 from the General Fund to the commission for expenditure, without regard to fiscal year, for the purposes of producing the report.~~

~~The bill would declare that it is to take effect immediately as an urgency statute.~~

This bill would require the University of California and the California State University, on or before December 1 of each year, to prepare and submit to the Legislature a report on the total compensation of specified executive-level and senior-level administrative positions at both the systemwide and campus levels and the policies for setting and adjusting compensation and approving transfer agreements, separation agreements, and settlement agreements for all employees. The bill would require the commission, before July 1, 2007, to develop a template for reporting that information, in consultation with an advisory committee established by the commission, as prescribed.

The bill would require the Legislative Analyst's Office to report in its analysis of the Budget Bill for the 2007–2008 fiscal year, and thereafter as it determines to be necessary, on the efficacy of the information provided in the annual report.

The bill would apply to the University of California only to the extent the Regents of the University of California act, by resolution, to make it so applicable.

Vote: $\frac{2}{3}$ -majority. Appropriation: ~~yes~~-no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. *It is the intent of the Legislature that the*
2 *California Postsecondary Education Commission continue to*
3 *provide an annual report on executive salaries using the*
4 *compensation information the University of California and the*
5 *California State University post on their Internet web-sites and*
6 *data from comparison institutions jointly identified with the*
7 *advisory committee established pursuant to Section 66026 of the*
8 *Education Code.*

9 SEC. 2. *Section 66026 is added to the Education Code, to*
10 *read:*

11 66026. (a) *As used in this section, the following terms have*
12 *the following meanings:*

13 (1) *“Benefits” include, but are not necessarily limited to,*
14 *regular and supplemental health, dental, vision, and life*
15 *insurance; retirement; vacation; and deferred compensation.*

16 (2) *“Cash remuneration” includes, but is not necessarily*
17 *limited to, bonuses and other cash compensation received in*
18 *addition to the base salary.*

19 (3) *“Perquisites” include, but are not necessarily limited to,*
20 *automobile allowances, use of cell phones, payment of club dues,*
21 *provision of educational aid to an employee's children,*
22 *employment contracts, entertainment allowances, estate planning*
23 *assistance, house maintenance services, housing allowances or*
24 *the use of houses, obtaining a low-interest mortgage loan,*
25 *provision of a physical examination or other medical care,*
26 *provision of sabbatical leave, tax planning or preparation*
27 *services, and provision of tenured professorships.*

1 (4) “Total compensation” includes, but is not necessarily
2 limited to, salary, cash remunerations, benefits, and perquisites,
3 and their respective values.

4 (b) On or before December 1 of each year, using the template
5 developed pursuant to subdivision (d), the University of
6 California and the California State University shall each prepare
7 and submit to the Legislature a report on both of the following:

8 (1) The total compensation of executive-level and senior-level
9 administrative positions at both the systemwide and campus
10 levels. The report shall include, but is not necessarily limited to,
11 the total compensation for all of the following positions:

12 (A) At the system level of the University of California, the
13 positions of president, vice president, associate vice president,
14 assistant vice president, senior vice president, and chief counsel.
15 At the campus level of the University of California, the positions
16 of chancellor, chief academic officer, provost, vice provost,
17 executive vice chancellor, associate vice chancellor, assistant
18 vice chancellor, and dean.

19 (B) At the system level of the California State University, the
20 positions of chancellor, executive vice chancellor, vice
21 chancellor, associate vice chancellor, assistant vice chancellor,
22 and general counsel. At the campus level of the California State
23 University, the positions of president, vice president, associate
24 vice president, assistant vice president, provost, vice provost, and
25 dean.

26 (2) The policies for setting and adjusting compensation and
27 approving transfer agreements, separation agreements, and
28 settlement agreements for all employees, including, but not
29 limited to, general information on the total value of settlements
30 reached between the institution and an employee.

31 (c) The University of California and the California State
32 University shall each post the report required by subdivision (b)
33 on its respective Internet website at both the systemwide and
34 campus levels.

35 (d) Before July 1, 2007, the California Postsecondary
36 Education Commission shall develop a template for reporting the
37 information described in subdivision (a) in consultation with an
38 advisory committee established by that commission. The advisory
39 committee shall include, but is not necessarily limited to, a
40 representative of each of the following:

1 (1) *The University of California.*

2 (2) *The California State University.*

3 (3) *The Department of Finance.*

4 (4) *The Legislative Analyst's Office.*

5 (5) *The Association of Independent California Colleges and*
6 *Universities.*

7 (e) *The Legislative Analyst's Office shall report in its analysis*
8 *of the 2008 Budget, and thereafter as it determines to be*
9 *necessary, on the efficacy of the information provided in the*
10 *annual report.*

11 (f) *No provision of this section shall apply to the University of*
12 *California except to the extent that the Regents of the University*
13 *of California, by appropriate resolution, make that provision*
14 *applicable.*

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17 **All matter omitted in this version of the bill**
18 **appears in the bill as amended in Senate,**
19 **April 17, 2006 (JR11)**
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